

**REQUEST FOR PROPOSALS
FOR
INTERNATIONAL SMALL CAP EQUITY
MANAGEMENT**

Alabama Trust Fund

**Release Date: April 1, 2024
Proposal Due Date: April 30, 2024**

**Alabama Trust Fund
Board of Trustees
Alabama State Capitol
600 Dexter Avenue
Montgomery, Alabama 36104**

**BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT
COMPLIANCE**

The Beason-Hammon Alabama Taxpayer and Citizen Protection Act (§§31-13-1 et seq, Code of Alabama, 1975 as amended by Act 2012-491) regulates illegal immigration in the State of Alabama. All contracts with the State or a political subdivision thereof must comply with that law.

For the purposes of this RFP and any responding Proposal, the following sections of that law impose specific requirements: Section 9 (a) of the Act provides “As a condition for the award of any contract, grant, or incentive by the state, any political subdivision thereof, or a state-funded entity to a business entity or employer that employs one or more employees, the business entity or employer shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama.”

Section 9(b) of the Act requires “ As a condition for the award of any contract, grant, or incentive by the state, any political subdivision thereof, or a state-funded entity to a business entity or employer that employs one or more employees within the State of Alabama, the business entity or employer shall provide documentation establishing that the business entity or employer is enrolled in the E-Verify program.”

As provided in the Act a “business entity” is *any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit* and an “employer” is defined as *any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.*

A Proposal must include a statement that the Proposer has knowledge of this law and is in compliance with Section 9(a). Before a contract is signed, the Contractor awarded the contract must submit a Certificate of Compliance using the form provided with this RFP, Exhibit D, and documentation establishing enrollment in the E-Verify Program operated by the United State Department of Homeland Security in the form of the Memorandum of Understanding which USHLS issues upon enrollment. E-Verify enrollment can be accomplished at the website of the United States Department of Homeland Security at <http://www.uscis.gov>.

See Section 10 for additional language required by Section 9(k) of the Act to be included in the contract.

Section I

GENERAL INFORMATION

1. Overview

This Request for Proposal (“RFP”) has been issued by the Board of Trustees of the Alabama Trust Fund (“Board”). The Board solicits proposals from qualified professional firms interested in providing international small cap equity investment management services (“the Manager”) to the Alabama Trust Fund.

Candidate firms should have expertise in actively managing portfolios in the international small cap equity core style. The goal is to identify managers who have shown the ability to add value over record of performance the MSCI World Small Cap ex-US Index over the long-term.

This Request for Proposals (hereinafter “RFP”) is issued in accordance with the requirements of Section 41-16-72(4), Code of Alabama (1975). This RFP is not an offer to contract but seeks the submission of proposals from qualified, professional firms that may form the basis for negotiation of an Investment Management Agreement with one or more Investment Managers. *The Board reserves the right to reject any or all proposals and to solicit additional proposals if that is determined to be in the best interest of the Alabama Trust Fund.*

The Board’s Investment consultant, Callan LLC (“Consultant”), will be receiving and analyzing all responses from this manager search. To expedite the review process, all candidates firms must have certain information in the Callan manager database. There is no charge associated with this process. Please use this link to populate the Callan database <https://questionnaire.callan.com/>.

2. History of the Alabama Trust Fund

The Alabama Trust Fund (“ATF”) was created by Amendment 450 to the Alabama Constitution and ratified in 1985. The ATF was established as an investment vehicle for the management of oil and gas capital payments generated from drilling activity in Alabama’s offshore waters. The ATF is under the management and control of a nine member board. The board consists of the Governor, Finance Director, State Treasurer and six appointed members.

The ATF strives to provide an annual total return greater than the annual amount to be distributed under the spending policy, currently 4.5%. As of March 2024, ATF invested assets totaled approximately \$3.67 billion. The portfolio is managed by 25 professional managers investing the assets among the asset classes of fixed-income, domestic equities, international equities, global equities, hedge fund of funds, multi-asset class strategies and real estate. Additional asset classes may be considered in the future.

Information about the ATF, including the current Investment Policy and Manager Guidelines, is available at the Treasurer’s website www.treasury.alabama.gov.

3. Minimum Qualifications

In order to be considered for selection as a Manager, the Proposer must provide Exhibit C as documented proof that the following minimum qualifications listed below are met. The Respondent has a continuing obligation to disclose information throughout the RFP process should any qualifications or situations change that might render the Respondent as an unqualified candidate.

- Company is duly registered with the Securities & Exchange Commission pursuant to the Investment Advisors Act of 1940, as amended, and the registration is current.
- Company will comply with all state regulations to conduct business in the State of Alabama, and will register with the Secretary of State if applicable. For more information, visit the Secretary of State website at www.sos.state.al.us/ and click Business Services/Corporations.
- The portfolio manager assigned to the account has managed international small cap portfolios for at least five (5) years, as of March 31, 2024.
- Company has managed international small cap equity portfolios for at least three (3) years, as of March 31, 2024.
- Company does manage at least \$300,000,000 in international small cap equity portfolios as of March 31, 2024.
- Company and its personnel have all authorizations, permits, licenses, and certifications as may be required under federal, state or local law to perform the services specified in this RFP at the time it submits a response to the RFP.
- Company will carry errors and omissions insurance or comparable instrument to cover negligent acts or omissions.
- Company maintains sufficient procedures and capabilities to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to the ATF account.
- Company has a company policy and practice of equal employment opportunity and non-discrimination based on race, creed or gender.
- Company will comply with *The Beason-Hammon Alabama Taxpayer and Citizen Protection Act*.

4. Scope of Services

- (a) The Manager shall invest the assets in a diversified international small cap equity separate account or pooled vehicle. It is expected that the initial funding will be approximately \$80 million. The Board shall establish the portion of assets to be managed and may, from time-to-time, change such portions.
- (b) The Manager shall have independent discretionary authority with respect to the investment of that portion of the assets managed by the Manager, subject to the Code of Alabama, Investment Guidelines and such other written limitations as the Board may impose upon the Manager. A copy of the Investment Guidelines is available at www.treasury.alabama.gov . If the respondent opposes any language in the guidelines, this should be addressed in the proposal.

- (c) The Manager shall provide reporting, to include monthly valuation, monthly performance reports, and significant changes in corporate structure, and other data to the Consultant.
- (d) The Manager shall document all investment transactions with the Custodian in accord with usual and customary standards of practice, and confirm all executed transactions for custodial account records. Currently, the Custodian is BNY Mellon.

5. Fees

Managers shall be entitled to receive quarterly compensation. Fees shall be payable based upon the fair market value on the last business day of each quarter as reported by the Alabama Trust Fund Custodian. The proposal must state the fees charged for this service assuming a \$80 million mandate. Please show breakpoints in fee schedule.

Any charge for services not addressed in the Statement of Fees in your proposal will not be allowed during the course of the contract. Fees will not increase during the term of the contract.

6. Proposal Required Information

Proposals should be as thorough and detailed as possible so that your capabilities to provide the required services can be properly evaluated.

Responses to this RFP must include:

- (1) a brief transmittal letter which must include a statement that the Proposer has read this RFP and accepts the terms and conditions set out herein and that the Proposer is aware of the requirements of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act and will comply with that law.
- (2) Exhibit A, RFP Response;
- (3) Exhibit B, Statement of Fees;
- (4) Exhibit C, Minimum Qualifications;
- (5) Exhibit D, Certificate of Compliance;
- (6) Other documents:
 - A sample of contracts and all other standardized forms which you propose to be used for this transaction, and
 - List of third-party service providers with whom ATF would be required to contract in order to fully utilize the services you represent to be available under your contract; and
 - List of software licenses or agreements that ATF would be required to procure in order to fully utilize your services.
- (8) Disclosure Statement. All proposals submitted in response to this RFP must include one original Disclosure Statement as required by Section 41-16-82, et seq., Code of Alabama (1975). Copies of the Disclosure Statement, and information, may be downloaded from the State of Alabama Attorney General's web site at www.ago.alabama.gov/Page-Vendor-Disclosure-Statement-Information-and-Instructions

7. Submission of Proposals

Proposals must be received at the following email address **no later than the close of business on April 30, 2024**. Provide only an electronic version of your full response. If your response includes confidential trade secrets or proprietary information, also send an electronic version with those sections redacted in the event a public information request for your response is received (see Section 11 for additional information).

Information for each proposed strategy and vehicle, including organizational information, must be current through March 31, 2024 in Callan's manager database by April 30, 2024. Managers can submit data to Callan's manager database free of charge by visiting www.callan.com and selecting the manager questionnaire link.

Attention: Annoesjka West
Callan LLC
alabamatrust@callan.com

Submission Deadline. It is the responsibility of the Respondent to ensure that its proposal is timely delivered and received by Callan on or before 5:00 p.m. on April 30, 2024. Callan will not consider proposals received after the date and time specified herein.

Questions and Inquiries. The sole point of contact for purposes of this RFP is Annoesjka West.
Phone: 908-522-3880
Email: west@callan.com

Any questions or inquiries should be directed to her. Any oral communications shall be considered unofficial and nonbinding on the State.

Rejection of all Proposals. The Board reserves the right to reject any or all proposals and/or to solicit additional proposals if that is determined to be fiscally advantageous to the State or otherwise in its best interests.

8. Efforts to Influence Selection Process Prohibited

The integrity of the RFP process is of primary importance and will not be compromised. Any written or oral communications beyond the RFP response made by Managers, or others on their behalf, whether paid or unpaid, to influence the selection process, from the time the RFP is issued through its conclusion, made directly or indirectly to the Board or staff will be grounds for immediate elimination from the selection process.

9. Evaluation and Selection

All proposals timely received will be reviewed and evaluated by the Investment Consultant. The Consultant will recommend proposals to the Investment Committee that most closely meet the requirements of the RFP.

After the review and evaluation of the proposals, the Board may conduct interviews. Finalists chosen for interviews, if necessary, will be notified. The Board reserves the right to request best and final offer for fees from finalists.

The Board will select the Manager(s) the Board determines, in their sole discretion, to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors, including fees, to best meet the needs of the Alabama Trust Fund. *All proposals received in response to this RFP may be rejected and the Board may solicit additional proposals.*

Upon identification of the selected Manager, if any, the Board may initiate negotiations for contract terms and conditions. The contract will incorporate reference to the requirements of the RFP and the Manager's proposal as negotiated.

10. Agreement

All duties of the Manager shall be set forth in a contract agreement between the Manager and the Board. The contract will incorporate reference to the requirements of the RFP and the Manager's proposal as negotiated.

In compliance with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (§31-13-9(k), Code of Alabama, 1975, as amended), the contract will include the following language:

“By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.”

In compliance with Act 2016-312, §1.(Section 41-16-5, Code of Alabama, 1975, as amended) the contract will include the following language:

“The contractor hereby certifies that it is not currently engaged in, and will not engage in, the Boycott of a person or entity based in or doing business with a jurisdiction with which this state can enjoy open trade.”

In compliance with Ala. Act No. 2023-409, by signing this contract, Contractor provides written verification that Contractor, without violating controlling law or regulation, does not and will not, during the term of the contract engage in economic boycotts as the term “economic boycott” is defined in Section 1 of the Act.

In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama.

For any and all other disputes arising under the terms of this contract which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center for Dispute Resolution of the Alabama State Bar.

You are charged with knowledge that there are certain terms standard to most commercial contracts in private sector use which the ATF is prevented by law and policy from accepting. These include (1) indemnification and hold harmless of the vendor or third parties, (2) consent to choice of law and venue other than the State of Alabama, (3) methods of dispute resolution other than negotiation and non-binding mediation, (4) waivers of subrogation and other rights against third parties and (5) some provisions limiting damages to the cost of goods or services;

11. Public Information

All responses received will be subject to the Alabama Open Records Act, §36-12-40, Code of Alabama and may be subject to public disclosure upon request. The Open Records Act is remedial and should therefore be liberally constructed in favor of the public. The Alabama Trade Secrets Act is §8-27-1 through §8-27-6, Code of Alabama. Responders are cautioned to be familiar with these statutes. The burden is on the one asserting the trade secret to show that the information sought to be protected meets the definition of a Trade Secret as defined by the Act.

Any RFP response submitted that contains confidential trade secrets or proprietary commercial information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as such. Identification of the entire bid proposal as confidential is not acceptable unless the Firm enumerates the specific grounds or applicable laws which support treatment of the entire material as protected from disclosure according to the foregoing statutes or other applicable Alabama law.

The owner of the confidential information shall indemnify and hold the State of Alabama, the Alabama Trust Fund staff and Board members harmless from all costs or expenses, including but not limited to attorney fees and expenses related to litigation concerning disclosure of said information and documents.

12. Protest

Qualified proposer aggrieved in connection with the solicitation of a contract may protest to the Chief Procurement Officer. Please review §41-4-161, Code of Alabama, as amended, for information.

Exhibit A
PROPOSAL

2.1 CORPORATE INFORMATION

A. Corporate Information

Provide an overview of your firm, including the following:

Corporate profile, including the financial condition of the firm, overall business objectives, strategic plans for growth, and ownership. Are there any changes pending in this profile?

1. Information on all “related” or “affiliated” firms;
2. List all office locations and the functions performed at each location;
3. List all investment management services offered by the firm (i.e. Domestic Equity, Foreign Equity, Domestic Fixed Income, etc). Does the firm provide any other product or service other than portfolio management? Please list.
4. Provide details of any past or pending litigation relating to your firm, individual personnel, or to the management of client assets.
5. Provide details of any SEC, state regulatory, self-regulatory organization, or professional organization action taken against your firm or any of its owners, principals, or personnel for the past 5 years.
6. Provide details of all SEC fidelity bonds, errors and omissions coverage, and any other fiduciary insurance, which your firm carries.
7. Describe all arrangements or understandings (written or oral) between your firm and any advisor, broker, law firm, or other individual or entity in connection with the solicitation or referral of clients between the firms. As well as any engagement of third party marketers and/or placement agents.

B. Personnel

1. Attach an organizational chart and biographies of key personnel assigned to this account, including length of experience and expected retention. Key personnel includes investment officers, portfolio managers, and analysts.
2. Complete the following chart:

	Firm Total	International Small Cap Equity
Total Full-time Employees	_____	_____
Portfolio Managers	_____	_____
Research Analysts	_____	_____
Market Strategists/Economists	_____	_____
Other Research	_____	_____

Customer Service	_____	_____
Marketing/Sales	_____	_____
Trading	_____	_____
Account Supervision/Performance	_____	_____
Administration/Office Management	_____	_____
Other _____	_____	_____
TOTAL	_____	_____

3. Provide the number of key employees added/lost over the last 3 years and explain any departures.

	#Added	#Lost	#International Small Cap Equity Employees (added/lost)
3/31/2024	_____	_____	/
3/31/2023	_____	_____	/
3/31/2022	_____	_____	/

C. Clients

1. Provide the organization name, address, contact name and phone number of at least three clients for whom similar services as described in this RFP are provided.
2. Provide a representative list of international small cap equity clients.

2.2 INVESTMENT MANAGEMENT.

A. Investment Philosophy and Style

1. Describe your investment process (i.e. idea generation and portfolio construction) and its competitive advantage.
2. Describe the investment environment in which you expect your strategy to outperform the benchmark/peers and to underperform the benchmark/peers.
3. Describe the guidelines and risk control measures employed relative to your benchmark. Include your benchmark.
4. How do you manage currency risk? Do you hedge currency? If so, describe your hedging program.
5. Describe enhancements (if any) to the investment process over the past 5 years.
6. What decision factors add value in the performance of your portfolio? Provide attribution analysis for 1- and 3-year periods ending March 31, 2024.
7. Describe your investment philosophy and style. Include a discussion of the following:
 - a. Universe of securities considered (including market capitalization range)

- b. Diversification/number of securities held in each portfolio
 - c. Investment time horizon/portfolio turnover policy
 - d. Relative importance of country selection, sector selection and security selection
 - e. Potential exposure to securities not included in the benchmark including emerging and frontier markets securities. What is the maximum allowable allocation to emerging markets securities?
8. Compare your International Small Cap Equity Composite with your benchmark as of March 31, 2024.

	Avg Account	Benchmark
Avg Market Cap		
Med Market Cap		
Avg Price Earnings		
Avg P/B		
5 Yr Earn. Growth		
Dividend Yield		
Portfolio Turnover		

9. How much discretion is given to each portfolio manager to buy/sell securities or to construct a portfolio?
10. Describe any quantitative/qualitative factors used in a buy decision. In a sell decision.
11. What is the main source of research used in the portfolio management process? If applicable, describe your reliance on in-house research in the context of personnel skills and experience.
12. Please provide a complete list and a brief description of both internal and external systems/data sources used by your firm in each of the following; database/screening, research, portfolio management, and compliance.

B. Assets and Account Management

1. Will the Alabama Trust Fund account be managed by an individual or a team of portfolio managers?
2. Provide the minimum, maximum, and average number of accounts managed by international small cap equity portfolio managers. What is the capacity for your firm's international small cap equity strategy? How is this calculated?
3. Account Size
- | | |
|--|----------|
| Largest International Small Cap Equity Separate Account | \$ _____ |
| Smallest International Small Cap Equity Separate Account | \$ _____ |
| Average International Small Cap Equity Separate Account | \$ _____ |
4. What is the minimum account size for a separate account? And for a commingled pooled vehicle?

Separate Account Minimum \$ _____

Pooled Vehicle Minimum \$ _____

5. Does your firm offer a commingled pooled vehicle or institutional mutual fund? If yes, please provide the types and total assets in each.
6. If your firm offers a commingled pooled fund, please provide the fund type and indicate whether there are any entry and/or exit fees. Please indicate whether any investor protections are in place to protect existing fund participants from transaction costs related to incoming flows.
7. Total Firm Assets Under Management as of March 31, 2024.

	\$ Equity	\$ Other	\$ Fixed	\$ Total
Public				
Corporate				
Endow/Found				
Taft-Hartley				
Other				
TOTAL				

8. International Small Cap Equity Assets Under Management as of March 31, 2024.

	Tax- Exempt	Taxable	Other
TOTAL			

9. Provide a breakdown of international small cap equity Separate Accounts and/or commingled funds by asset size as of March 31, 2024.

Size of Account	\$ Total Assets	# Accounts
Under \$10 million		
\$10 to \$50 million		
\$50 to \$100 million		
Over \$100 million		

10. Provide the following information regarding Client Gains (separate accounts and/or commingled funds).

	\$ Total Assets	# Accounts	\$ International Small Cap Equity	# International Small Cap Equity Accounts
2023				
2022				
2021				

11. Provide the following information regarding Client Departures (separate accounts and/or commingled funds).

	\$ Total Assets	# Accounts	\$ International Small Cap Equity	# International Small Cap Equity Accounts
2023				
2022				
2021				

C. Performance.

All performance data presented should be GIPS compliant. Performance will be evaluated using the MSCI World ex-US Small Cap Index.

1. Provide performance data for your International Small Cap Equity Composite.

	% 12MO	% 1Q	% 2Q	% 3Q	% 4Q	# Accts	Assets	Dispersion (Standard Deviation)
2023								
2022								
2021								
2020								
2019								

2. Provide trailing performance data for your Active International Small Cap Equity Composite for the periods 1-year, 3-years, 5-years and 10-years ending March 31, 2024.

3. Provide the following statistics when fully invested for 3-year period ending March 31, 2024:

Beta _____ Source _____ Benchmark _____
 R2 _____ Source _____ Benchmark _____
 Alpha _____ Source _____ Benchmark _____
 Tracking Error _____ Source _____ Benchmark _____
 Information Ratio _____ Source _____ Benchmark _____

4. Describe the composite used to compute performance results reported in answering #1, #2, and #3 above.

5. Discuss turnover in the portfolios you currently manage and your tolerance for volatility.

D. Trading and Compliance

1. Describe your trading process and system.
2. How are trades allocated amongst accounts?

3. How do you manage accounts with restrictions?
4. How do you manage and analyze t-cost?
5. How do you manage soft dollar?
 - a. What is your soft dollar policies and the services currently provided by soft dollars?
 - b. Why does your firm feel soft dollar usage is appropriate?
 - c. What percentage of trades executed were tied to soft dollar relationships for the three years ending March 31, 2024?
6. Describe your compliance structure and program. Provide the bios of the key professionals who manage the compliance process.
7. When was your last SEC audit? Any deficiencies? If so, how were they managed?
8. Do you hire an independent third party to periodically audit your firm? If so, any deficiencies and how were they managed?
9. Do you maintain a code of ethics? If yes, please provide.
10. Describe your disaster recovery program.
11. Have you ever violated a client guideline? If yes, how was it managed and what steps have you taken to mitigate such risks going forward?

**EXHIBIT B
STATEMENT OF FEES**

Please provide a fee structure for the proposed vehicle. Are there any "favorite nations" clauses in the fund's documents? For commingled pooled vehicles, please list any additional fees on top of the quoted fee structure.

**EXHIBIT C
MINIMUM QUALIFICATIONS**

1. My Company is duly registered with the Securities & Exchange Commission pursuant to the Investment Advisors Act of 1940, as amended, and the registration is current.
Yes No
2. IF applicable, my Company shall qualify with the Secretary of State to conduct business in the State of Alabama if selected.
Yes No
3. The portfolio manager assigned to the Alabama Trust Fund account has managed international small cap equity portfolios for at least three (3) years, as of March 31, 2024.
Yes No
4. My Company has managed international small cap equity portfolios for at least three (3) years, as of March 31, 2024.
Yes No
5. My Company does manage at least \$300,000,000 in international small cap equity as of March 31, 2024.
Yes No
6. My Company and its personnel have all authorizations, permits, licenses, and certifications as may be required under federal, state or local law to perform the services specified in this RFP at the time it submits a response to the RFP.
Yes No
7. My Company will carry errors and omissions insurance or comparable instrument to cover negligent acts or omissions.
Yes No
8. My Company does comply with all applicable GIPS performance presentation standards.
Yes No
9. My Company maintains sufficient procedures and capabilities to ensure the timely and accurate backup and full recovery for all computers and other data storage systems related to the Alabama Trust Fund account.
Yes No
10. My Company has a company policy and practice of equal employment opportunity and non-discrimination based on race, creed or gender.
Yes No
11. My Company will comply with the Beason-Hammon Alabama Taxpayer and Citizen Protection Act. Yes No

EXHIBIT D

**CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA
TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by Act
2012-491)**

RE Contract/Grant/Incentive (*describe by number or subject*): _____ **by and**
between _____
(Contractor/Grantee) and _____ **(State Agency or**
Department or other Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of _____ with the Contractor/Grantee named above, is authorized to provide the representations that are set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".
2. Applying the following definitions from the Section 3 of the Act, the Contractor/Grantee business structure is as indicated by my initials.

BUSINESS ENTITY. Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:

- a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.
- b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

EMPLOYER. Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

- _____ a. The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.
 - _____ b. The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.
3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien, as that term is defined in Section 3 of the Act, within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama.

{Alien is any person who is not a citizen or national of the United States, as described in 8 U.S.C. § 1101, et seq., and any amendments thereto.}

{Unauthorized Alien is an alien who is not authorized to work in the United States as defined in 8 U.S.C. § 1324a(h)(3).}

4. Contractor/Grantee is enrolled in E-Verify unless *{initial the following selections which apply}*:

_____ (a) it is not eligible to enroll because of the rules of that program or other factors beyond its control.

_____ (b) it is excused from the requirement of enrollment in E-Verify because it does not have an employee in the State of Alabama.

Certified this _____ day of _____ 20____.

Name of Contractor/Grantee/Recipient

By: _____

Its _____

The above Certification was signed in my presence by the person whose name appears above, on this _____ day of _____ 20____.

WITNESS _____

Print Name of Witness